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RUEHIL/AMEMBASSY ISLAMABAD PRIORITY 4948
RUEHLO/AMEMBASSY LONDON PRIORITY 6164
RUEHNE/AMEMBASSY NEW DELHI PRIORITY 2568
RUEHSA/AMEMBASSY PRETORIA PRIORITY 0188
RUEHCI/AMCONSUL KOLKATA PRIORITY 4280
RUEHGV/USMISSION GENEVA PRIORITY 2132
RUEKJCS/SECDEF WASHDC PRIORITY
RUCNDT/USMISSION USUN NEW YORK PRIORITY 3280
RHEFDIA/DIA WASHDC PRIORITY
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C O N F I D E N T I A L SECTION 01 OF 02 KATHMANDU 000861

SIPDIS

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TAGS: [PREL](#) [PGOV](#) [PHUM](#) [KDEM](#) [NP](#)
SUBJECT: NEPAL'S MAOISTS ASKED TO FORM GOVERNMENT

Classified By: Charge d'Affaires Randy W. Berry. Reasons 1.4 (b/d).

Summary

¶1. (C) On July 29 President Yadav issued a public call to the Maoists to form the next government on the basis of consensus within seven days. A meeting of the four largest parties July 30 agreed that Prime Minister Koirala could lead Nepal's delegation to SAARC. It is unclear whether the Maoists can complete the negotiations to form a new government within one week, but the process is finally underway and appears to be proceeding democratically.

President Yadav Calls on Maoists to Form Government

¶2. (C) On the evening of July 29 President Dr. Ram Baran Yadav issued a call to the Maoists to form the next government on the basis of consensus in accordance with Article 38(1) of the Interim Constitution. The President announced the Maoists had seven days to forge consensus, although there is no legal basis for the seven day deadline. In anticipation of the President's formal public announcement the Maoists have been holding separate consultations with most of the smaller parties as well as with the Communist Party of Nepal - United Marxist Leninist (UML). Sunil Babu Pant, one of five Constituent Assembly members representing the Communist Party of Nepal - United (CPN-U), told Emboff July 30 that the CPN-U's preference was for a broad government of national unity, but that he found majoritarian governments by either a Maoist-led leftist alliance of smaller parties or Nepali Congress (NC)-UML-Madhesi People's Rights Forum (MPRF) as more likely outcomes. Pant also informed Emboff that in addition to the distribution of ministries a deal is likely to include distribution of Constituent Assembly (CA) leadership positions. (Note: Neither the Vice-Chairman nor any Committee Chairmen have been elected to date. End note.)

PM Koirala Will Attend SAARC

¶3. (C) One day after threatening to pass a CA resolution preventing Prime Minister Koirala from attending SAARC, and having President Yadav lead the delegation instead, a meeting of the four largest parties (Maoists, NC, UML, MPRF) July 30

agreed to send Prime Minister Koirala. Mukunda Sharma, CA Secretariat Spokesman, told Emboff July 30 that it was unclear whether any such CA resolution would have been binding and it was likely SAARC would have been long over before the legal wrangling was resolved. Foreign Secretary Acharya was also quoted in one press article pointing out that according to SAARC rules only the country's executive head, whether President or Prime Minister, could head a delegation.

Comment

¶4. (C) Maoist leaders have said publicly they intend to form a government within seven days, but if they are not ready after one week it is not clear whether President Yadav would give them more time or ask NC, as the second largest party, to attempt to form a government. If principle if the Maoists put together a majoritarian government, but not one of broader consensus, the President could also say the Maoists had not met the constitutional provision and ask them to start over, but that is unlikely. Prime Minister Koirala may use side meetings at SAARC, particularly with the Government of India representatives, to argue against support for any Maoist-led government. Whether the Maoists can take advantage of Prime Minister Koirala's absence to conclude negotiations on the new government, or at least move them forward remains to be seen, but the process is finally underway and appears to be proceeding democratically.

KATHMANDU 00000861 002 OF 002

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